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## Letters to the Editor

Editor:

### MOFD's Audited Financials Lacking

On October 15th MOFD presented to its Board of Directors the audited financials for the fiscal year ending June 30, 2014. This 90 page document has reams of numbers, pages of text, and even some pictures. But the one item missing was the answer to the big question: "is MOFD going bankrupt?" The answer to this is usually found in the balance sheet but this year's balance sheet remains the same piece of fiction as it has been since the District went deeply "under water" in 2008.

The District wants us to believe that their assets exceed their liabilities by \$10 million. In reality, nothing could be further from the truth. While the District does have \$10 million in capital assets, which it needs to provide us service, and \$4 million in cash, its liabilities overwhelm these meager savings. (1) It has \$17 million in unfunded retiree medical benefits. (2) It has \$166 million in pension liabilities with only \$126 million in pension assets as an offset. (3) It still owes \$22 million on a bond it borrowed in 2005 when its pension was previously underwater. In total, it has \$206 million of employee benefit liabilities offset by \$126 million in pension assets.

But to add insult to injury, where the District has historically published the condition of its pension (assets and liabilities), albeit buried in a footnote to the audited financials, this year it has failed to do even that. In the last issue of the Weekly, MOFD Director Steve Anderson was quoted "Those charges affect our liability. Even though they are not required to be in our financials until next year, they should be publicized." So why aren't they?

The Orinda Emergency Services Task Force has prepared what it believes is a comprehensive and informative financial position report (balance sheet) which shows MOFD's true financial condition and compares it to the prior four years (see [www.OrindaTaskForce.org](http://www.OrindaTaskForce.org)). The Task Force believes that MOFD should adopt such a report to accurately inform the community and itself of the realities of its finances.

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